



CURRENCY

Committee on Financial Services

Michael G. Oxley, Chairman

For Immediate Release:

Contact: Peggy Peterson at 226-0471

Wednesday, October 3, 2001

Oxley to Introduce Legislation Waging War Against Terrorist Financing

Today, House Financial Services Committee Chairman Michael G. Oxley (OH) and Ranking Member John LaFalce (D-NY) will introduce bipartisan legislation that squarely targets the financial networks of terrorist organizations.

The legislation will include provisions to:

- Bolster law enforcement's ability to find and destroy the financing of terrorist organizations, whether in banks or in underground "hawala" systems;
- Establish a government-industry partnership to stop terrorist funding in real-time; and
- Track any terrorist money kept in secret offshore havens and increase foreign cooperation with U.S. efforts.

"While U.S. forces prepare to act against terrorists militarily, we are preparing to act against terrorists financially," Oxley said. "This legislation is an important first step Congress can take to cut off terrorist funding."

In the wake of September 11, mounting evidence indicates that terrorists used small amounts of cash and remained well below the checkpoints currently in place to catch financial criminals. Oxley's legislation will contain several measures to combat this and make it more difficult for terrorists to operate within the walls of U.S. financial systems.

Included in the legislation will be measures making it a crime to smuggle currency in excess of \$10,000 and to knowingly falsify a customer's identity when making a transaction with a financial institution. Other provisions will direct the Treasury Secretary to develop regulations that require financial institutions to verify the identity of customers before opening accounts.

"Chairman Oxley and I have agreed to work on a bipartisan basis to give the U.S. the tools it needs to combat money laundering and terrorist funding," LaFalce said. "I know working together in this fashion we will be able to ensure that our nation's laws are up to the task at hand."

Oxley's legislation will also strengthen existing financial laws without imposing significant regulatory burden on the private sector. The bill will streamline and strengthen the Financial Crimes Enforcement Network and create a Web site for quick electronic filing of suspicious activity reports.

[Click here to see a section-by-section summary of the bill.](#)